

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE 1 OF 3 PAGES	
2. AMENDMENT/MODIFICATION NO. 0011		3. EFFECTIVE DATE November 4, 2004		4. REQUISITION/PURCHASE REQ. NO. N/A		5. PROJECT NO. (If applicable) N/A	
6. ISSUED BY Defense Logistics Agency Defense Supply Center Philadelphia ATTN: DSCP-MGBA, W. DiLauro 700 Robbins Avenue Philadelphia, PA 19111-5096				7. ADMINISTERED BY (If other than Item 6) CODE SC0200			
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				(X)		9A. AMENDMENT OF SOLICITATION NO.	
				X		9B. DATED (SEE ITEM 11)	
						10A. MODIFICATION OF CONTRACT/ORDER NO- SP0200-04-R-1606	
						10B. DATED (SEE ITEM 13) 29 April 2004	
CODE		FACILITY CODE					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended.							
Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:							
(a) By completing Items 8 and 15, and returning <u>one</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting and Appropriation Data (If required)							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
(X) A. THIS CHANGE IS ISSUED PURSUANT TO: (Specify authority). THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:							
D. Other (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible) This Amendment must be acknowledged by the closing date and time on November 9, 2004 at 3:00 PM, local time , and returned to the address listed on Page 2 of the solicitation. Facsimile acknowledgements are also authorized and should be submitted to (215) 737-9300, 9301, 9302 or 9303. See Pages 2 and 3 of this amendment for changes to the solicitation.							
Except as provided herein, all items and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or Print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
_____ (Signature of person authorized to sign)				BY _____ (Signature of Contracting Officer)			
						STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

1. Based on the solicitation of offers for 10-year contract terms, the Averaging of Price Offers provision that was added to the solicitation under amendment #0008 is revised to read as follows:

Averaging of Price Offers.

It is the Government's intention to average the price offers of an offeror who has been selected for an award. The Government will make its award selections based on offerors' responses to our Request for Final Proposal Revisions. If an offeror is selected for award for more than one DSCP region and/or TRICARE region and has cited different distribution fees for those regions, the Government will calculate an average distribution fee for all of the regions for which the firm has been selected as the awardee. Average fees will only be calculated for the regions' normal day-to-day requirements within the regions for which it has been previously selected for award. Separate average fees will be calculated for the base ordering periods and option ordering periods. The calculated average fee will be cited in the eventual contract awards in lieu of the offeror's final price offers. The Government will not calculate average fees for any of the Surge, Deferred Procurement Program or War Readiness Materiel requirements or Navy Fleet option within the regions that are awarded to an offeror. The Government believes that this will result in no net increase or decrease in overall costs to either the offeror or Government.

Example: An offeror submits the following final distribution fees for three of the regions cited in the solicitation and is selected for award of all three regions:

Regions	Value of Normal Day-to-Day Purchases Per Ordering Period	Ordering Periods							
		Base		Option 1		Option 2		Option 3	
		Fee (%)	Value of Fee (\$)	Fee (%)	Value of Fee (\$)	Fee (%)	Value of Fee (\$)	Fee (%)	Value of Fee (\$)
Southeast	\$ 595,000,000	-1.15	-6,842,500	-1.25	-7,437,500	-1.30	-7,735,000	-1.35	-8,032,500
TRICARE North	\$1,548,000,000	-2.50	-38,700,000	-2.60	-40,248,000	-2.65	-41,022,000	-2.70	-41,796,000
Hawaii	\$ 70,000,000	-2.05	-1,435,000	-2.20	-1,540,000	-2.25	-1,575,000	-2.30	-1,610,000
Totals	\$2,213,000,000		-46,977,500		-49,225,500		-50,332,000		-51,438,500

The Average Fee for the base ordering period and the option ordering period would then be calculated separately using the following formula:

	<u>Total Value of Fee</u>	÷	<u>Value of Normal Day-to-Day Purchases</u>	=	<u>Average Fee</u>
Base Period:	-\$46,977,500	÷	\$2,213,000,000	=	-0.02123 or -2.12% (rounded)
Option Period 1:	-\$49,225,500	÷	\$2,213,000,000	=	-0.02224 or -2.22% (rounded)
Option Period 2:	-\$50,332,000	÷	\$2,213,000,000	=	-0.02274 or -2.27% (rounded)
Option Period 3:	-\$51,438,500	÷	\$2,213,000,000	=	-0.02324 or -2.32% (rounded)

Based on the above calculation for the Base Period, the Government would cite a contractual distribution fee of -2.12% for all three regions' normal day-to-day requirements in lieu of the -1.15%, -2.50% and -2.05% proposed by the offeror. For Option Period 1, the Government would cite a contractual distribution fee of -2.22% for all three regions' normal day-to-day requirements in lieu of the -1.25%, -2.60% and -2.20% proposed by the offeror. For Option Period 2, the Government would cite a contractual distribution fee of -2.27% for all three regions' normal day-to-day requirements in lieu of the -1.30%, -2.65% and -2.25% proposed by the offeror. For Option Period 3, the Government would cite a contractual distribution fee of -2.32% for all three regions' normal day-to-day requirements in lieu of the -1.35%, -2.70% and -2.30% proposed by the offeror. The Government will recalculate the average fee if one or more of the contracts are terminated or the options are not exercised on all contracts.

NOTE: "Averaging of Price Offers" provision applies only to the Primary Supplier requirements for the 12 DSCP regions and/or TRICARE regions. This would exclude the Designated Provider and "Other" Organizations regions from being included into the calculation of an average. For example, if one firm received TRICARE North & South plus the Designated Provider and "Other" Organizations Regions, DSCP would only calculate an average for the TRICARE regions and not the Designated Provider and "Other" Organizations Region.

2. Reference is made to paragraph (vi) **Pharmaceutical Returns Management Program (PRMP) Credits** that appears on amendment #0008, page 4. The following NOTE that was included on the amendment is revised to update the POCs (points of contact):

“NOTE: This is not a mandatory contract. MTFs may use the Guaranteed Returns contract at their discretion, and may contract for the use of other than the DSCP PRMP contractor as their “reverse distributor”. However, the Prime Vendor shall not make payments to a reverse distributor contractor, other than the DSCP PRMP contractor, out of the MTF’s credit account unless the Prime Vendor has received authorization from DSCP to do so. DSCP will grant authorization only after receiving a copy of a valid contract between the MTF and a reverse distributor. A valid contract cannot pay for a service prior to the service being completed. MTFs should be instructed to fax a copy of their reverse distributor contract to their DSCP Contracting Officer, or to the PRMP POCs, Vincent Valinotti or Timothy Dlugokecki, at (215) 737-8050. Mr. Valinotti may be reached at (215) 737-4149 or email at vincent.valinotti@dla.mil. Mr. Dlugokecki may be reached at (215) 737-2851 or email at timothy.dlugokecki@dla.mil ”